

**STATE OF MICHIGAN  
DEPARTMENT OF LABOR & ECONOMIC GROWTH  
OFFICE OF FINANCIAL AND INSURANCE SERVICES**

**Before the Commissioner of the Office of Financial and Insurance Services**

**In the matter of:**

**Larry Joe Mikula  
System ID No. 0035219**

**Enforcement Case No. 07-5235**

**Respondent**  
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Issued and entered  
on January 17, 2008  
Frances K. Wallace  
Chief Deputy Commissioner

**CONSENT ORDER AND STIPULATION**

**A. FINDINGS OF FACT AND CONCLUSIONS OF LAW**

It is alleged that the following statements are true and correct:

1. At all pertinent times, Larry Joe Mikula ("Respondent") was a licensed resident adjuster for the insured in the State of Michigan.
2. As a licensed insurance producer, Respondent knew or had reason to know that Section 1224 of the Michigan Insurance Code ("Code") provides that after examination, investigation, and interrogatories, the commissioner shall issue a license to an applicant if the commissioner determines that the applicant possesses reasonable understanding of the provisions, terms, and conditions of the insurance with which the applicant will deal, possesses reasonable understanding of the insurance laws of this state, intends in good faith to act as an adjuster, possesses a good business reputation, and possesses good moral character to act as an adjuster.
3. On May 14, 2004, Respondent submitted to the Office of Financial and Insurance Services ("OFIS") an application for a resident adjuster for the insured on Form FIS 0221, Michigan Application for Individual Non-Producer Insurance License.
4. Question 42-1 on the application states: "Have you ever been convicted of, or are you currently charged with, committing a crime, whether or not adjudication was withheld?"

‘Crime’ includes a misdemeanor, felony or a military offense. You may exclude misdemeanor traffic citations and juvenile offenses. ‘Convicted’ includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, or having been given probation, a suspended sentence or a fine.

If you answer yes, you must attach to this application:

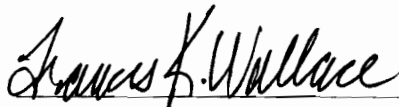
- a) a written statement explaining the circumstances of each incident,
- b) a copy of the charging document, and
- c) a copy of the official document that demonstrates the resolution of the charges or any final judgment.”

- 5. Respondent answered No to Question 42-1.
- 6. On June 11, 2004, OFIS licensed Respondent as a resident adjuster for the insured.
- 7. On or about June 2007, OFIS learned that Respondent incorrectly answered Question 42-1. Respondent should have answered Yes to Question 42-1.
- 8. On April 7, 2004, Respondent was arrested for a misdemeanor drug charge.
- 9. On or about April 16, 2004, Respondent was charged with misdemeanor controlled substance-possession of marijuana.
- 10. On or about May 19, 2004, Respondent pled guilty to the charge and was fined or assessed court costs of \$520, sentence to five days in jail, and six months on probation.
- 11. Due to Respondent incorrectly answering Question 42-1, Respondent has violated Section 1224 of the Code and is subject to licensing sanctions and/or civil fines under Section 1242 and 1244 of the Code.

**B. ORDER**

Based on the Findings of Fact and Conclusions of Law above and Respondent's stipulation, it is **ORDERED** that:

1. Respondent shall immediately cease and desist from operating in such a manner as to violate the Michigan Insurance Code.
2. Respondent shall pay to the State of Michigan a civil fine of Five Hundred dollars (\$500.00). Upon execution of this Order, OFIS will send Respondent an Invoice for the civil fine, which shall be due within 30 days of issuance of the Invoice.



Frances K. Wallace  
Chief Deputy Commissioner

Dated: 1-17-08